



LODI CITY COUNCIL

**Carnegie Forum
305 West Pine Street, Lodi**

"SHIRTSLEEVE" SESSION

Date: May 12, 2009

Time: 7:00 a.m.

For information regarding this Agenda please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

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Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 General Discussion Regarding California Emergency Management Agency Fire Apparatus Benefits and Related Costs (FD)

B-2 General Presentation – General Fund Revenue Estimates (CM)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: General Discussion Regarding the California Emergency Management Agency's Fire Apparatus Benefits and Related Costs

MEETING DATE: May 12, 2009

PREPARED BY: Michael E. Pretz, Fire Chief

RECOMMENDED ACTION: General discussion regarding the California Emergency Management Agency (CalEMA) Fire Apparatus benefits and related costs.

BACKGROUND INFORMATION: CalEMA, formerly known as the California Office of Emergency Services (OES), provides fire protection throughout the State and utilizes resources from municipal fire departments under a state-wide mutual aid system. The City of Lodi Fire Department participates in this state-wide mutual aid system. Periodically CalEMA distributes fire apparatus to fire districts and city fire departments to be used during the activation of the mutual aid system.

The City of Lodi was approached by CalEMA to house their fire apparatus in 2008. After a thorough review of the program and cost analysis by the Internal Services Division, staff determined accepting the fire apparatus was in the City's best interest. (see attachment)

The City is responsible for the first \$100 of maintenance/repair. The State will reimburse the City for repair costs above \$100; with the State paying full costs for hoses, batteries, and tires. Moreover, the City will see a reduction in maintenance costs to city apparatus used in wildland fire response.

The State will continue to reimburse the City for personnel costs for deployments including an additional 16% administrative fee. In 2007-08 the state faced a prolonged budget impasse in the legislature. During this budget impasse, reimbursement payments to fire agencies were delayed until the passage of a state budget. Reimbursement checks began arriving in February 2009 and have continued with the last reimbursement check received May 1, 2009. The City of Lodi has received payment in full for wildland fire response in 2008.

APPROVED: _____
Blair King, City Manager

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The fire engine is a Type I fire apparatus similar to the fire apparatus currently used by the Lodi Fire Department. The engine is valued at \$340,000 and housing it with the City of Lodi is part of the state-wide Blue Ribbon Commission on Fire Safety recommendation. The Fire Department will operate the engine as a reserve apparatus. The engine will not replace current front-line apparatus and will not relieve the need to continue the fire apparatus replacement program.

Michael E. Pretz, Fire Chief


MEP/lh

Attachment



**Internal Services Department
Budget Division**

MEMORANDUM

TO: Blair King, City Manager
FR: Susan Bjork, Management Analyst II 
DATE: August 1, 2008
SUBJ: Use of OES Engine – Budgetary Concerns

Per your request, I have met with Fire personnel on the acquisition of an OES Engine for use in Lodi. From information I have obtained through the OES website and staff, it is the intent of OES to reimburse mutual aid agencies when called upon for deployments greater than 12 hours.

Background facts that exist regardless of using a City engine or an OES engine:

Reimbursements for OES dispatches:

- Staff is reimbursed at 1½ times the average classification's straight time rate, plus a rate for worker's compensation and unemployment. These rates are provided to the state by the Fire Department and kept on file until an update is needed. An administrative reimbursement of 16% is allowed and added.
- For deployments of less than 12 hours, there is no reimbursement. For deployments over 12 hours, reimbursement occurs from time of dispatch to return.
- Incremental costs for incentive pay and Medicare on overtime are not reimbursed.

Budgetary Considerations:

- The City is responsible for the first \$100 of maintenance/repair of each individual item of repair – wear and tear type items. State will reimburse City maintenance/repair costs over \$100; State pays for full replacement of hoses, batteries and tires.
- Current backup engine #06-032, a 1976 VanPelt, costs the City roughly \$6,000 per year in maintenance/repairs. Using the \$100 deductible for the OES engine, the City would reach the break even point at 60 repairs; however it is expected the new engine would have significantly less individual repairs, thus saving the City on maintenance costs. The VanPelt would be surplus.



Internal Services Department

Budget Division

- State assumes responsibility for repair/replacement during State dispatched mutual aid or when reassigned; City assumes responsibility for repair/replacement if engine is consumed; lost, stolen, damaged or destroyed in other operations. Damage due to negligence is City's responsibility. Estimate for adding this engine to the vehicle schedule is \$1000.00 per year.
- A credit card is kept in the engine for Strike Team usage, eliminating the need for staff to use their own or City resources for gas and maintenance to/from incidents.
- It is expected there will be an increase in the number of mutual aid calls if the City possesses an OES engine but there is no method for accurately predicting this number. Current deployments average 3 per year, with each deployment lasting approximately 1 week; however, a deployment could last up to 14 days. Reimbursement for staff is the average classification rate at time and a half, plus a percentage for worker's compensation and unemployment. Not covered are the incremental costs for incentives and Medicare on the paid overtime; however, there is a 16% administrative allowance that may cover, at least in part, these costs. Additionally, meals en route are not covered.
- Loss of reimbursement revenue for use of Lodi's engine on an OES incident; however, there is a counter balancing decrease in wear/tear of Fire's fleet since the backup engine (the VanPelt) is not the one sent on OES deployments. There would also be no depreciation charges or need to build reserves for replacement of the backup engine.
- Additional burden on staff for record keeping and approval processes.
- General liability on the engine en route to/from incident. Adding the new engine to the vehicle schedule is approximately \$1000.00 per year.

Summation:

The City appears to break even or come out slightly ahead on staff cost reimbursement (due to not back-filling for dispatched staff, whenever possible, and the 16% administrative fee). It is expected that at least initially, maintenance costs will be reduced by eliminating the old engine from the fleet. From a break-even point, annual costs or savings to the City is minimal.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: General Presentation – General Fund Revenue Estimates

MEETING DATE: May 12, 2009

PREPARED BY: City Manager

RECOMMENDED ACTION: Receive presentation.

BACKGROUND INFORMATION: Soon, the draft Fiscal Year 2009-10 Budget will be completed and the document available for review. In the context of a Shirtsleeve Meeting, an informal presentation concerning General Fund revenues will be provided. This information will be presented again when the budget is formally presented.

Revenue projections drive the preparation of the expenditure budget and set the foundation for further budget discussions.

FISCAL IMPACT: Not Applicable.

Blair King
City Manager

APPROVED: _____
Blair King, City Manager